

**MINUTES
FOR THE REGULAR MEETING
CALIFORNIA UNEMPLOYMENT INSURANCE APPEALS BOARD
Docket No. 5483**

1. Opening of Meeting:

The Appeals Board convened at 10:30 a.m., June 19, 2007 in Sacramento, with Vice-Chair Terri Carbaugh presiding.

2. Roll Call: Members

Present

Absent

Ann Richardson, Chair	X (via telephone)	
Terri Carbaugh, Vice Chair	X	
Jack Cox	X	
Liz Figueroa	X	
Cindy Montañez	X	
Fred Aguiar	X	

3. Approval of the Minutes:

The May 8, 2007 minutes were approved by all members. Vice-Chair Carbaugh made one amendment to the minutes regarding the spelling of Jake Henshaw.

4. Chair's Report:

Chair Richardson reported on the shooting which occurred last week in a private tenant's office located on the fourth floor of the building that houses the San Diego Office of Appeals. The CUIAB was very fortunate not to have anyone hurt and the Agency has a good security system. There is counseling available to those employees who have been emotionally affected by the incident. On Thursday, Chair Richardson, Vice-Chair Carbaugh and Member Figueroa will travel to San Diego to talk to the employees. Chair Richardson also expressed her sympathy.

Vice-Chair Carbaugh echoed Chair Richardson's sympathy and thanked Jay Arcellana, and San Diego staff Harold Rucker, Maria Hidalgo-Barnes, Sara Bacla, and other CUIAB staff who assumed a leadership role during this tragic incident.

Chair Richardson also commended Pat Houston, Business Service Manager, who acted as a repository for all the information during this incident and reached out to the San Diego office. Pat communicated with the Governor's office to provide the most up to date information and she was available 24/7.

Vice-Chair Carbaugh agreed and also commended Pat Houston.

5. Board Member Reports:

No reports.

6. Chief Administrative Law Judge/Executive Director's Report:

Executive Director/Chief Administrative Law Judge Jay Arcellana congratulated Vice-Chair Carbaugh on her confirmation by the Senate.

Executive Director Arcellana reported the Agency is currently making plans for the summer workload. He noted the workload was picking up in some offices and dropping off in others and many employees are taking vacation. He stated there is planning for mass calendars in the Orange County, Sacramento and Inland Offices of Appeals. He also reported two new ALJ retirements, Sacramento and Inglewood, and these retirements coincide with recent advertising for new ALJ positions.

Executive Director Arcellana reported on the National Association of Unemployment Insurance Appellate Boards (NAUIAB) conference in Baltimore, Maryland. California was a big player at the conference and Executive Director Arcellana recognized Angela Bullard, Tim McArdle, and Michael Ward from the Fresno Office of Appeals as well as Bob Dresser from Agency for their participation. Executive Director Arcellana stated that he made a presentation on Quality Review, and other Agency staff also made presentations, all of which were well received. He also commended the staff that participated behind the scenes and traveled to the conference at their own expense. Executive Director Arcellana reported that California, like other states, is facing severe budget problems. Chairs from other states noted that there would probably be layoffs. Finally, California was recognized with a special commendation for hosting the prior conference in San Diego.

Executive Director Arcellana also addressed the San Diego shooting. Counseling and support services were provided through the EAP for staff requesting counseling and those services will be available on an on-going basis.

In reference to the NAUIAB conference, Chair Richardson stated she spoke to Cynthia Thornton, who is on the NAUIAB Board of Governors, and Cynthia indicated they might study the possibility of attending the Conference via Polycom or Internet, thereby allowing access without incurring the expense of traveling. Chair Richardson commended Ms. Thornton for her forward thinking in that regard.

7. Branch Reports:

a. Executive Director/Chief Administrative Law Judge Jay Arcellana presented the Workload Projection Report via PowerPoint. (Attachment A)

Executive Director Arcellana presented the Budget Process and Status Report via PowerPoint presentation. (Attachment B)

Member Figueroa inquired if the Paid Family Leave program funds are still in the bank. Executive Director Arcellana responded the funds are still in the bank, but it only represents a paper figure. He stated EDD generally retains the funds, but they are allotted to the CUIAB.

Vice-Chair Carbaugh asked whether extending staff means bringing back part-time retired annuitants or hiring new fulltime employees. Executive Director Arcellana replied that it is a combination, but during the first six months of the fiscal year most newly-hired staff will be permanent intermittent.

b. Executive Director Arcellana presented the written report of Deputy Chief ALJ, Appellate Operations (AO) Steve Angelides who was on vacation.

In May, AO and the Central Transcription Unit (CTU) once again had a very average month in terms of workload. AO registered 1129 cases, 93% of the fiscal year average; disposed of 1295 cases, 105% of average; had 1716 open cases, 95% of average; an appeal rate of 5.8%, 103% of average; an average UI case age of 36 days, 100% of average; and produced 7,684 pages of transcripts, 110% of average.

Executive Director Arcellana reported on the reorganization of AO. Effective July 1, CTU will be merged into AO and therefore only one LSS II is needed. Ana Ibarra, AO's LSS II, was promoted to Business Services Officer II, and Brenda Payne, CTU's LSS II, became LSS II over both AO and CTU. AO/CTU has approval for a limited term LSS I to assist in the supervision of CTU, and will be advertising for that position after July 1. Last month, Barbara Alves, formerly an LSS I in AO, took a promotional position with the Department of Alcohol and Drug Programs. AO thanks Barbara for her many years of service to CUIAB and wishes her the best in her new position. Additionally, Antonio Buenrostro, formerly a Management Services Technician in AO, was promoted to the IT Help Desk.

c. Deputy Director, Administrative Services Branch Pam Boston reported Personnel is working on several promotional exams. The Office Tech exam interviews will be held this week. The Program Tech III exam has a final filing date of June 7. The Associate Information Systems Analyst interviews will be held this week. The Associate Business Management Analyst exam had a final filing date of June 15th. And lastly, the Legal Support Supervisor I and II exam had a final filing date of June 6th. Personnel has been quite busy in processing exams and is doing well keeping up with all the requests.

Deputy Director Boston report Personnel has completed the revision to a New Employee Orientation Handbook. This handbook contains valuable information for employees new to State service and new to CUIAB. It explains the benefits offered to State employees. She recognized Kathy Carel, Frances Aguilar and Susan Williams for their hard work on this project. The handbook will be posted on The Bench for employees to access.

Deputy Director Boston reported Ana Ibarra's first assignment in Business Services is to redesign the Emergency Evacuation Plans for all of the offices and to implement ongoing evacuation drills.

Deputy Director Boston reported Business Services had completed year-end purchasing and was successful in getting that completed by the cut-off. Deputy Director Boston also reported within the Information Technology (IT) Unit, a new e-mail anti-spam filtering program has been installed. There were some glitches in the beginning but IT is hopeful those problems have been fixed. Deputy Director Boston asked that IT be notified if people are still not receiving emails.

Chair Richardson took a moment to welcome Carmelita Bayquen, Executive Secretary II, coming over from EDD to the Executive Office.

d. Deputy Director, Planning and Program Management Branch Mary Walton-Simons reported on the following P&PM Branch items:

Hearing Information Pamphlet Update: The Tax Hearing Information pamphlet has been distributed to all the offices and is being sent out with the Tax Hearing Notices. Deputy Director Walton-Simons recognized Martha Diaz and Mirella Vazquez Gomez of the PPM Branch who worked with Madlyn Hilton, PALJ of the Tax Unit, to ensure the pamphlet was accurately completed and written at an acceptable reading level.

Upward Mobility (UM) Lunchtime Seminars: The PPM Branch, under the management of Ralyne Long in the Strategic Planning Unit, coordinated the Upward Mobility Lunchtime Seminars during the month of May. The seminars were conducted using our video-conferencing equipment. The UM coordinators, Anissa Michell and Alfredo Garcia, presented a Power Point to the attendees and answered questions from staff.

Lan Do Language Services: Effective June 1st, CUIAB switched from Language Line Services to Lan Do and Associates for telephonic interpreter services. Deputy Director Walton-Simons recognized Martha Silva, the manager of the Strategic Planning & Training Division, for taking the initiative to create and distribute Lan Do information cards and instructions for staff and the ALJs. Lan Do & Associates did not provide reference materials for the users.

Aristeed Powell, a key member of the PPM Branch and the Strategic Planning Unit, accepted a position with the Department of Motor Vehicles as an Investigator. His transfer is effective on July 2, 2007.

Member Figueroa asked if the new translation service was on a probationary period and how long it will be before the Agency reviews their work. She also commended the staff for their last minute assistance given to Lan Do. Executive Director Arcellana replied Language Line worked well for the Agency; however, through the State bidding process they lost out to Lan Do. The contract with Lan

Do is for one year and the Agency will make an assessment at the end of that term to determine if Lan Do is performing effectively.

Member Aguiar cautioned that when the Agency does specs, it should be sure they are not so narrow that only one bidder bids on them. Executive Director Arcellana agreed. Pat Houston pointed out there is a 30 day cancellation clause in the current contract with Lan Do.

Member Richardson thanked Deputy Director Walton-Simons for conducting the Upward Mobility Conferencing during the month of May. She stated that three attendees commented they didn't think the program was worth signing up for because it has a total budget of just \$2000, and requested that this be reviewed. Deputy Director Walton-Simons replied that she would do so, and commented that there are other non-monetary advantages to participating in the program, such as a flexible work schedule so they can attend classes. Chair Richardson also asked, in regard to the requirement of approval by the employee's immediate supervisor, whether supervisors were inclined to permit all or just certain employees to participate, as she wished to ensure that all employees seeking participation are considered on a fair and non-discriminatory basis.

8. Chief Counsel's Report:

Staff Counsel Kim Hickox gave the report on behalf of Chief Counsel Ralph Hilton who was attending a Labor Agency meeting.

Staff Counsel Hickox reported that the Messenger Courier Association of America has requested that the decision in *Air Couriers International* be de-published. Vice-Chair Carbaugh inquired if it had been published. Executive Director Arcellana responded it had been published at the lower level. He stated a law firm has interceded seeking to have the decision decertified.

Vice-Chair Carbaugh asked if there was a timeframe in which the Agency could expect the outcome. Executive Director Arcellana stated he thought the timeframe could be six months. Staff Counsel Hickox stated she would find out and advise the Board.

Staff Counsel Hickox reported there were four new cases filed in May and one case that was closed.

9. Unfinished & New Business:

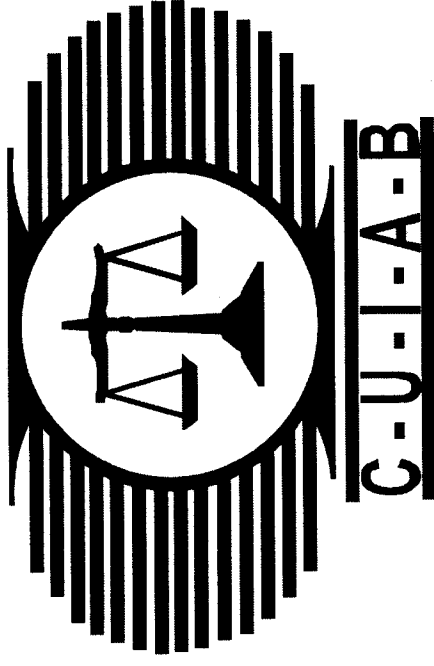
There was no unfinished or new business.

10. Public Comment:

There was no public comment.

11. Closed Session:

The Board did not meet in closed session.



MAY 2007 WORKLOAD REPORT

Field Operations

**FIELD OPERATIONS
WORKLOAD REPORT FOR MAY 2007**

PROGRAMS	VERIFICATIONS	DISPOSITIONS	BALANCE
UI	23,574	21,363	30,459
DI	1,720	1,694	1,915
TAX	161	166	2,236
SUBTOTAL	25,455	23,223	34
(All Programs) TOTAL	25,644	23,762	37,287

Points of Interest

➤ **Verifications:**

- In May, there were 25,644 cases verified, a 13% increase from April 2007 of 22,605.

➤ **Dispositions:**

- In May, there were 23,762 cases disposed, a 22% increase from April 2007 of 19,422.

➤ **Balance:**

- In May, the open balance is 37,287, a 5% increase from April 2007 of 35,419.

Points of Interest

➤ **Average Case Age**

- The Average Case Age (mean) for UI is 32 days.

➤ **Lowest Workload**

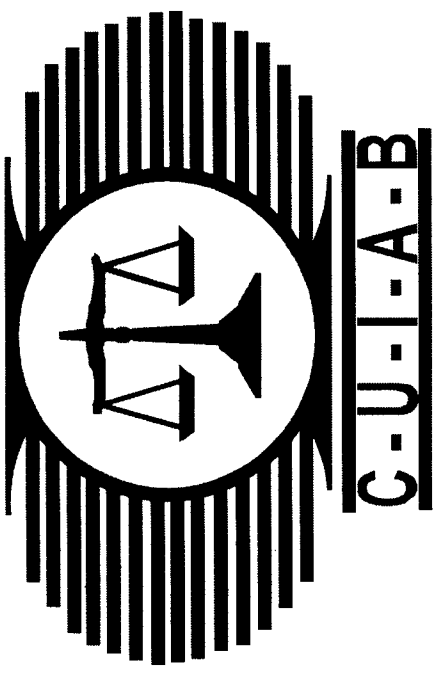
- Oakland and Pasadena have the lowest workload with 900 uncalendared cases.

➤ **Highest Workload**

- Inland has the highest workload with 1,762 uncalendared cases and 357 unverified cases.

➤ **As of June 12, 2007, there are 1,475 untyped decisions on the HUB.**

FIELD AND APPELLATE OPERATIONS



UI and DI DISPOSITION COMPARISONS REPORT *Revise Projections vs. CUIAB Actuals*

Comparisons- Revise Projections vs. Actuals

July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Total
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MAY 2006 REVISE – PROJECTIONS												
UI	19,870	19,870	19,870	18,960	18,960	20,467	20,467	20,467	19,067	19,067	19,067	235,092
DI	1,923	1,923	1,923	1,690	1,690	2,010	2,010	2,010	1,990	1,990	1,990	22,839
TOTAL	21,793	21,793	21,793	20,650	20,650	22,477	22,477	22,477	21,057	21,057	21,057	257,931
QTR	65,379					61,950					63,171	257,931

OCTOBER 2006 REVISE – PROJECTIONS												
UI	20,800	20,800	20,800	18,967	18,967	17,967	17,967	17,967	16,967	16,967	16,967	224,103
DI	1,829	1,829	1,829	1,734	1,734	1,615	1,615	1,615	1,716	1,716	1,716	20,682
TOTAL	22,629	22,629	22,629	20,701	20,701	19,582	19,582	19,582	18,683	18,683	18,683	244,785
QTR	67,887					62,103					56,049	244,785

MAY 2007 REVISE – PROJECTIONS												
UI	18,050	18,050	18,050	19,860	19,860	19,860	19,470	19,470	18,150	18,150	18,150	226,590
DI	1,718	1,718	1,718	1,538	1,538	1,538	1,564	1,564	1,648	1,648	1,648	19,404
TOTAL	19,768	19,768	19,768	21,398	21,398	21,398	21,034	21,034	19,798	19,798	19,798	245,994
QTR	59,304					64,194					59,394	245,994

CUIAB 2006-07 DISPOSITIONS - ACTUALS													
										Projection			
	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June	Total
UI	13,805	21,841	18,509	20,969	19,592	19,022	20,712	19,758	24,716	18,269	22,558	18,150	237,901
DI	2,493	2,055	1,974	1,877	1,816	1,659	1,864	1,735	1,988	1,766	1,781	1,648	22,656
TOTAL	16,298	23,896	20,483	22,846	21,408	20,681	22,576	21,493	26,704	20,035	24,339	19,798	260,557
QTR	60,677			64,935			70,773			64,172			260,557

**Board Meeting
June 19, 2007**

**CUIAB Budget
Status of 2006-07 Budget**

Status of 2006-2007 Budget

Based upon Year End Projections

◆ <i>Workload Dispositions</i>	261,341 cases
◆ Earnings	\$72,485,957
◆ Expenditures	\$69,035,799
◆ Surplus	\$ 3,950,158
◆ Unearned PFL	\$ -1,481,026
◆ Net Surplus for 2006-07	\$ 2,469,132

Highlights of 2006-2007 Budget

- ◆ Increase in actual dispositions over projected dispositions approximating \$1,069,132 million
- ◆ Higher than expected savings from planned reduced expenditures approximating \$900,000
 - ◆ Travel
 - ◆ Training
 - ◆ OE&E purchases
 - ◆ Delayed facilities projects
 - ◆ Salary Savings

STRATEGIES FOR 2006-07

- Draw down next year's overhead by spending this year's surplus
- Time table for issuing fiscal year-end dispositions
 - One week of earnings on average is \$1,165,247 (*includes the associated salary, wages & benefits*)
- Hold off on personnel growth for the first quarter of next year

Cautionary Tale

- The 2006-07 figures will not be final for two months.
- The 2007-08 budget is in part dependent upon the final 2006-07 figures.
- The workload figures will fluctuate between the projections and the actuals.
- So, we still need to make some final adjustments for this year and will make continuous adjustments throughout the next fiscal year.